THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Exporters of all minerals are eligible for drawal of foreign exchange under Reserve Bank of India's Blanket Foreign Exchange Permit scheme under the discretionary list of products eligible for foreign exchange.

(b) Exports of Granite in the form of cut dimensional blocks, slabs, tiles etc. during the year 1987-88 is provisionally placed at 90 crores. Distinction between the select and non-select export products has been dispensed with and under the Import Policy for 1988—91, exports of cut and polished granite qualify for export promotion.

(c) Granite is classified as a minor mineral under the Mines and Minerals (Regulation and Development) Act, 1957. Other support measures identified for boosting export of this value added item include grant of 100 per cent Export Oriented Unit status to minerals including granite.

Export of Leather Footwear

1084. SHRI RAOOF VALIULLAH: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that leather footwear industry has been extended the benefit of import of machinery equipment under OGL at concessional rate of duty whereas the same facility has not been extended to rubber and canvas footwear industry; if so, what are the reasons thereof;

(b) what is the annual total export of leather footwear and rubber/canvas footwear at present and what is the growth targeted for the next few years for both the items; and

(c) whether Government feel that modernisation and expansion of production of rubber/canvas footwear industry would lead to a substantial rise in their exports; if so, whether his Ministry would recommend measures in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) **Yes, Sir. This facility has been extended** to leather footwear as leather and leather goods industries have been identified as an export thrust sector whereas rubber and canvas footwear does not fall in this category.

(b) Export figures of leather footwear and rubber/canvas footwear are given below:—

(Value : Rs. crores)

Year	Leather footwear	Rubber/ canvas footwear
1987-88	128.03	6.80
1988-89	200.00 (target)	10.00 (target)
April-Dec., 88	73.50 (Provisional)	4.55 (Provisional)

No export target for 1989-90 and subsequent years for leather footwear and rubber/canvas footwear has been fixed.

[*Source*: Council for Leather Exports and Chemicals and Allied Products Export Promotion Council].

(c) A proposal made in this respect by the Industry is under examination.

Loan from Japan for Airbus A-320

1085. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have approved a Japanese loan worth $ 250 million towards the purchase of Airbus A-320; and

(b) if so, what are the terms of the loan?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir. The matter is under negotiations.

(b) Does not arise.

Abid Hussain Panel Report on Capital Market

1086. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) what is Government's observation on the reforms of the capital market as suggested by the Abid Hussain Panel;

(b) what are the details in this regard; and

(c) what steps are being proposed to be taken to augment investment in the stock market?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Details regarding the recommendations cannot be disclosed until a decision is taken by Government on the final Report submitted to Government.

(c) Taking measures for augmenting investments in the stock market is a continuous process. The Budget for 1989-90 also contains proposals for the development of the capital market. These include extension of facility of no tax deduction at source on interest payments on Bonds and Debentures upto Rs. 2500 as in the case of dividents, and introduction of an Equity Linked Savings Scheme, which will be operated through UTI and recognised Mutual Funds.

Export policy of cotton

1087. SHRI SHIV PRATAP MISHRA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government propose to formulate a staple cotton export policy; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) and (b) Government had announced a long-term export policy (valid till the current cotton year, 1988-89) on cotton. Whlie under the policy six-lakh bales of cotton were to be exported every year, the exports could not stabilize due to wide fluctuations in domestic availability and prices.

Insurgency in Nagaland

1088. SHRI JAGADISH JANI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that the insurgency problem has taken a new turn in Nagaland; and

(b) if so, what specific steps have been taken to tackle the insurgency problem in that State?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) A 5 km belt along Burma border in Nagaland has been declared as disturbed area under the Armed Forces (Special Powers) Act 1958 and Army/Para Military Forces have been conducting counter insurgency operations in the State. Arrangements